

BYLAWS OF THE  
INDUSTRIAL DEVELOPMENT BOARD OF THE  
CITY OF LAKELAND, TENNESSEE

**ARTICLE I:**  
NAME, OFFICE LOCATION AND REGISTERED AGENT

**ARTICLE II:**NAME. THE NAME OF THE CORPORATION IS THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE (THE “CORPORATION”)PRINCIPAL OFFICE. THE PRINCIPAL OFFICES OF THE CORPORATION SHALL BE AT 10001 HIGHWAY 70, LAKELAND, SHELBY COUNTY, TENNESSEE 38002, OR AS OTHERWISE DESIGNATED BY THE BOARD OF DIRECTORS. THE BOOKS AND RECORDS OF THE CORPORATION SHALL BE KEPT AT THE PRINCIPAL OFFICES DESIGNATED BY THE BOARD OF DIRECTORS.REGISTERED OFFICE AND REGISTERED AGENT. THE CORPORATION SHALL HAVE AND CONTINUOUSLY MAINTAIN IN THE STATE OF TENNESSEE A REGISTERED OFFICE, AND A REGISTERED AGENT WHOSE OFFICE IS IDENTICAL WITH SUCH REGISTERED OFFICE, AS REQUIRED BY THE APPLICABLE LAWS OF THE STATE OF TENNESSEE, AS AMENDED FROM TIME TO TIME. THE REGISTERED OFFICE MAY BE, BUT NEED NOT BE, IDENTICAL WITH THE PRINCIPAL OFFICE IN THE STATE OF TENNESSEE.CHANGE OF PRINCIPAL OFFICE, REGISTERED OFFICE OR REGISTERED AGENT. THE LOCATION OF THE CORPORATION'S PRINCIPAL OFFICE AND REGISTERED OFFICE, OR THE DESIGNATION OF ITS REGISTERED AGENT, MAY BE CHANGED AT ANY TIME WHEN AUTHORIZED BY THE BOARD OF DIRECTORS, BY FILING WITH THE TENNESSEE SECRETARY OF STATE A CERTIFICATE SIGNED BY ANY CURRENT OFFICER OF THE CORPORATION.  
NOT-FOR-PROFIT CORPORATION

**Section 1.**     Not-for-Profit Organization. The Corporation is a, public benefit, not-for-profit corporation. The Corporation is irrevocably dedicated to and operated exclusively for non-profit purposes, and no part of the income or assets of the Corporation shall be distributed to or inure to the benefit of any individual. The Corporation, however, shall be authorized and empowered to pay reasonable compensation for furtherance of the purposes set forth herein.

The purposes for which the Corporation is organized are public and within the meaning of Section 115(1) of the Internal Revenue Code of 1986, as amended (the “Code”), or the corresponding provision of any future United States Internal Revenue law, and within the meaning of in Title 7, Chapter 53, Industrial Development Corporations, codified at Tennessee Code Annotated Section 7-53-101; et seq., as amended from time to time. The Corporation is a governmental unit, as an instrumentality of the State of Tennessee, and shall operate as an entity exempt under Section 115(1) of the Code. All charitable contributions to governmental units are tax deductible under Section 170(c)(1) of the Code.

In the event of dissolution, the residual assets of the Corporation shall be turned over to the City of Lakeland, pursuant to Tennessee Code Annotated Section 7-53-103 or the corresponding provision of any future State of Tennessee law.

### **ARTICLE III: BOARD OF DIRECTORS**

**Section 1.** Board of Directors. The Board of Directors of the Corporation (the “Board of Directors”), consisting of seven (7) members, shall be duly qualified electors and residents of Lakeland, Shelby County, Tennessee. The Directors shall serve without compensation, except that they shall be reimbursed for their actual expenses incurred in and about the performance of their duties as authorized by the Board of Commissioners of the City of Lakeland, Tennessee. No director shall be an officer or employee of the City of Lakeland, Tennessee.

**Section 2.** Election and Appointment of Directors. The Directors shall be nominated and appointed by the Board of Commissioners of the City of Lakeland, Tennessee. The initial Board of Directors will be arranged in the following categories: Category A, two (2) years; Category B, four (4) years; Category C, six (6) years. Two (2) directors will be placed in Category A, Two (2) directors will be placed in Category B and Three (3) directors will be placed in Category C. The term of a director shall begin when a majority of the Board of Commissioners of the City of Lakeland, Tennessee votes to approve such Director.

The term of each Director shall run on a calendar year basis and, after the initial terms, shall be for six (6) years or until his/her successor has been elected consistent with these Bylaws and the laws of the State of Tennessee. When the term of office for a director expires, the Board of Commissioners for the City of Lakeland, Tennessee shall nominate a Director to replace any Director nominated by him/her,

Should any position of director become vacant, the Board of Commissioners of the City of Lakeland, Tennessee shall nominate and elect a successor. A director position shall be considered vacant if the Director dies or resigns, and it may be declared vacant by the Board of Directors if a Director misses four (4) consecutive meetings without written notice to the President or the Chairman.

The Directors shall be so elected that they shall hold office as set out in Title 7, Chapter 53, Industrial Development Corporations, codified at Tennessee Code Annotated Section 7-53-101; et seq., as amended from time to time.

### **ARTICLE IV: CONFLICTS OF INTEREST**

**Section 1.** Conflicts of Interest. Each director shall represent and acknowledge that he/she owes a fiduciary duty to the Corporation and will recuse himself/herself on any matter which comes before the Board of Directors for approval if a conflict of interest, or potential conflict of interest, exists between the action being considered by the Board of Directors and the financial or business interests of such Director or any of his or her affiliates. The following additional requirements shall apply to each matter being considered by the Board of Directors if a conflict of interest, or potential conflict of interest, exists with respect to one or more of the Directors:

- (a) the interested director must disclose the potential conflict of interest to the Board;

(b) the interested director will neither engage in discussion of, nor vote on the matter that gives rise to the potential conflict of interest;

(c) the Board of Directors must approve the transaction or arrangement by a majority vote of the directors present at a meeting that has a quorum, not including the vote of the interested director; and

(d) the Board of Directors meeting minutes state which Directors were present for the discussion and vote, the content of the discussion, and any roll call of the vote.

In addition, if a director has any interest in a transaction or arrangement that might involve personal financial gain or loss for the director, in addition to the provisions set forth above, then the following shall apply:

(a) if appropriate, the Board of Directors may appoint a non-interested person or committee to investigate alternatives to the proposed transaction or arrangement;

(b) in order to approve the transaction, the Board of Directors must first find, by a majority vote of the directors then in office, without counting the vote of the interested director, that the proposed transaction or arrangement is in the best interest and for the benefit of the Corporation; that the proposed transaction is fair and reasonable to the Corporation; and, after reasonable investigation, the Board has determined that the Corporation cannot obtain a more advantageous transaction or arrangement with reasonable efforts under the circumstances;

(c) the interested director will not be present for the discussion or vote regarding the transaction or arrangement; and

(d) the transaction or arrangement must be approved by a majority vote of the directors, not including the interested Director.

## **ARTICLE V: OFFICERS OF THE BOARD OF DIRECTORS**

**Section 1.** Number. The Officers of the Board of Directors shall consist of a Chairman, President, Secretary, and Treasurer. Except as otherwise authorized by resolution of the Board of Directors, such Officers' powers shall be as set forth in this Article V:

**Section 2.** Chairman. The Chairman shall preside at all meetings of the Board of Directors. Except as otherwise authorized by resolution of the Board of Directors, the Chairman shall have the power to sign all contracts, bonds, deeds, and other instruments made by the Board of Directors. At each meeting, the Chairman shall submit such recommendations and information as he/she may consider proper concerning the business affairs and policies of the Board of Directors. The Chairman shall be elected on an annual basis at the July meeting of the Board of Directors.

**Section 3** President. The President shall have the duty of managing the Corporation and its projects, and shall be responsible for engaging and managing staff of the Corporation. The President shall have the right and duty to attend and participate, as a non-voting member, in all regular or special meetings of the Board of Directors. The President shall, along with the Chairman of the Board of Directors, have the power to sign all contracts, bonds, deeds, and other instruments,

as such actions may be approved by the Board of Directors. The President shall likewise have the power to submit any and all recommendations and information as he or she may deem proper concerning the business affairs and policies of the Board of Directors and the Corporation. The President shall serve with or without compensation from the Corporation, and the President shall serve at the will and pleasure of the Board of Commissioners of Lakeland, Tennessee. The President shall be appointed by a majority vote of the Board of Commissioners of Lakeland, Tennessee.

Section 4      Secretary. The Secretary, with such assistance as the Board of Directors may deem proper, shall keep the records of the Board of Directors, shall act as Secretary of the meetings of the Board of Directors, including recording all votes, shall keep a record of the proceedings of the Board of Directors in a journal of proceedings of the Board of Directors to be kept for such purposes, and shall perform all other duties incidental to the office. The Secretary shall perform the duties of the Chairman, in the absence of the Chairman. The Secretary shall be elected on an annual basis at the July meeting of the Board of Directors.

Section 5      Treasurer. The Treasurer, with such assistance as the Board of Directors may deem proper, shall have the care and custody of all funds of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks as the Board of Directors may select. The President under the review of the Treasurer and pursuant to the policies and procedures of the Corporation shall sign all orders and checks for the payment of money and shall pay out or otherwise disburse such money under the direction of the Board of Directors. The Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Board of Directors, at regular meetings, or when specifically directed by the Board of Directors, an account of their transactions and also of the financial condition of the Board. The Treasurer shall give such bond for the faithful performance of his/her duties as the Board of Directors of the Corporation may designate. The offices of Secretary and Treasurer may be combined and occupied by the same person, but the offices of Chairman and Secretary may not be combined and occupied by the same person. The Treasurer shall be elected on an annual basis at the July meeting of the Board of Directors.

Section 6      General Obligations. The officers of the Board of Directors shall perform other such duties and functions as may, from time to time, be required by the Board of Directors, or bylaws or rules and regulations of the Board of Directors. With the exception of the President, the Officers of the Board of Directors shall be elected from among the Directors of the Corporation and shall hold office for one (1) year or until their successors are elected and qualified. All Officers of the Board of Directors serve at the will and pleasure of the Board of Directors, and all Officers of the Board of Directors may be removed at any time upon a majority vote of the Board of Directors in attendance at any regular or special meeting.

## **ARTICLE VI: MEETINGS**

Section 1.      Place of Meetings. The place, date, and time of the holding of meetings of the Board of Directors shall be set by the Board of Directors and may be changed from time to time, by resolution of the Board of Directors, without a requirement of an amendment to these Bylaws. Public notice shall be given of the setting of any regular meeting date and of any change of such meeting date by posting such notice on public bulletin boards and/or the web site of the Corporation for such purposes and mailing such notice to government officials, media representatives, and other members of the public at least seven (7) days in advance of the effective date of the proposed meeting. Regular or special meetings (other than special meetings called by

Board of Directors members other than the Chairman) may be cancelled by the Chairman or his/her designee, without the necessity for public notice of such cancellation, if the Chairman shall determine that there is no business to come before such meeting.

**Section 2.     Notice of Special Meetings.** The Chairman of the Board of Directors may, when he or she deems it expedient, and shall, upon the written request of two (2) directors of the Corporation, call a special meeting of the Board of Directors for the purpose of transacting any business designated in the call. The call for a special meeting may be the business or home address of each director of the Corporation, and public notice of such meeting shall be given by posting such notice on public bulletin boards for such purposes and mailing such notice to government officials, media representatives, and other members of the public, at least forty-eight (48) hours prior to the day of such special meeting.

**Section 3.     Quorum.** The powers of the Corporation shall be vested in the directors thereof in office from time to time. Four (4) Directors shall constitute a quorum for the purposes of conducting the business and exercising the powers of the Board of Directors and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. If any director position(s) may be vacant, then a quorum shall be a majority of the voting directors in office at such time.

**Section 3     Conduct of the Meetings.** All regular and special meetings of the Board of Directors of the Corporation and any advisory committee shall be conducted in accordance with *Robert's Rules of Order*.

All resolutions shall be in writing and shall be copied in a journal of proceedings of the Board of Directors.

The voting of all questions coming before the Board of Directors of the Corporation shall be by roll call or voice vote, and the “ayes” and “nays” shall be entered upon the minutes of such meeting.

**Section 4     Notice of Meetings.**

a.     Regular Meetings. Public notice shall be given of the setting of any regular meeting date by posting such notice on the website of the Corporation, and providing such notice to interested government officials, media representatives, and other members of the public at least forty-eight (48) hours in advance of the effective date of the proposed meeting. The notice shall include the date, time, location, and the purposes and matters that will come before the Board of Directors. Modification of the date or location of any regular meeting shall be made at least forty-eight (48) hours in advance of the regular meeting, by the same methods of notice.

b.     Special Meetings. For any Special Meeting, public notice shall be given by posting such notice on the website of the Corporation and providing such notice to interested governmental officials, media representatives, and other members of the public, at least forty-eight (48) hours prior to the day of such special meeting. The notice shall include the date, time, location, and the proposes and matters that will come before the Board of Directors.

c.     Adequacy of Notice. Posting electronically or by any regular means of notice by the City of Lakeland, Tennessee shall be sufficient to constitute effective notice under Sections a and b above.

## **ARTICLE VII: COMMITTEES**

Section 1      Appointment of Executive Committee. The Board of Directors, by resolution adopted by a majority of its voting members, may designate two (2) or more of its members to constitute an Executive Committee. Each member of the Executive Committee shall hold office until the next annual meeting of the Board of Directors following his or her designation and until his or her successor has been appointed and qualified. The designation of the Executive Committee and the delegation of authority thereto shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

Section 2      Authority of Executive Committee. The Executive Committee, when the Board of Directors is not in session, shall have and may exercise all the authority of the Board of Directors except to the extent, if any, that such authority shall be limited by the resolution appointing the Executive Committee or by these Bylaws. All action taken by the Executive Committee shall be subject to ratification by the Board of Directors.

Section 3      Meetings of Executive Committee. Regular meetings of the Executive Committee may be held at such times and places as the Executive Committee may from time to time fix by resolution. Special meetings of the Executive Committee may be called by any member upon a concurrence of a majority of the members of the Executive Committee upon not less than forty-eight (48) hours prior to the day of such meeting. The notices provided for in this Section shall state the place, date, and hour of the meeting, and the business proposed to be transacted at the meeting.

Section 4      Quorum of Executive Committee. A majority of the voting members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting thereof. Action of the Executive Committee must be authorized by the affirmative vote of a majority of all voting members present at a meeting at which a quorum is present.

Section 5      Standing Committees. The Board of Directors may maintain such standing committees as it may determine from time to time to be necessary or desirable for its proper functioning. Such committees shall consist of two (2) or more members, shall be under the control and serve at the pleasure of the Board of Directors, shall have charge of such duties as may be assigned to them by the Board of Directors or these Bylaws, shall maintain a permanent record of their actions and proceedings, and shall regularly submit a report of their actions to the Board of Directors, which shall ratify the actions of each committee. Such standing committees shall have such authority as the Board of Directors may stipulate.

Section 6      Ad Hoc Committees. The Board of Directors, as evidenced by resolution approved by a majority of the voting members of the Board of Directors, may from time to time create such ad hoc committees as the President believes necessary or desirable to investigate matters or advise the Board of Directors. Ad hoc committees shall limit their activities to the accomplishment of the tasks for which created and shall have no power to act except as specifically conferred by resolution of the Board of Directors. Such committees shall operate until their tasks have been accomplished or until earlier discharged by the Board of Directors.

**ARTICLE VIII:**  
**CRITERIA FOR APPROVING BOND FINANCING**

The Corporation shall limit the financing which it undertakes to such of those enterprises permitted by the enabling legislation found in Tennessee Code Annotated section 7-53-101; et seq., as amended.

**ARTICLE IX:**  
**PLEDGE OF MUNICIPAL CREDIT**

The Corporation shall not have the power to pledge the credit or taxing power of the City of Lakeland, Tennessee except as provided in Tennessee Code Annotated Section 7-53-101; et seq., as amended from time to time, and upon the approval of a majority of the Board of Commissioners of the City of Lakeland, Tennessee.

**ARTICLE X:**  
**INDEMNIFICATION**

The Corporation shall indemnify its directors, officers, employees and agents to the fullest extent provided under the Tennessee Nonprofit Corporation Act, as amended. In the event a director, officer, employee or agent is made a party to a proceeding because such individual is a director, officer, employee or agent of the Corporation, the Corporation shall indemnify and pay for reasonable expenses incurred by such individual in advance of final disposition of such proceeding unless the Board of Directors, by majority vote of the directors, determines that (a) such individual's conduct was not in good faith; and (b) the individual could not have reasonably believed: (i) in the case of conduct in the individual's official capacity with the Corporation, that the individual's conduct was in the best interest of the Corporation; and (ii) in all other cases, that the individual's conduct was not opposed to the best interest of the Corporation; and (iii) in the case of any criminal proceeding, that the individual has reasonable cause to believe the individual's conduct was lawful. Directors shall not have personal liability to the Corporation for monetary damages for a breach of fiduciary duty as a director. This limitation shall not eliminate or limit the liability of a director for any breach of a director's duty of loyalty to the Corporation or for any acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law or unlawful distributions.

This right of indemnification provided in Article IX shall not be deemed exclusive of any other right to which said persons otherwise may be entitled. This indemnification shall extend to such persons, whether or not they continue to hold a position with the Corporation at the time such expenses and costs may be incurred.

**ARTICLE XI:**  
**FISCAL YEAR**

**Section 1.**     Determination. Except as may be modified by resolution of the Board of Directors, the fiscal year of the Corporation shall begin on July 1 of each year and end on June 30 of each year.

**ARTICLE XII:**  
**NO SEAL**

Section 1.     No Seal. The Corporation shall have no seal required for the transaction of business.

**ARTICLE XIII:**  
**ADOPTION AND AMENDMENT OF BYLAWS**

Section 1.     How Amended. The Bylaws of the Corporation shall be promulgated and established by the Board of Directors. The Bylaws may be amended from time to time with the approval by a majority vote of the directors at a regular meeting or at a special meeting duly called for that purpose.

**OFFICER'S CERTIFICATE**

The undersigned hereby certifies that such person is the duly and elected and acting officer of the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKE LAND, TENNESSEE (the "Corporation") and these Bylaws were adopted and approved by the Board of Directors of the Corporation, at a duly called meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Print Name: \_\_\_\_\_  
Sign Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_